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27 July 1964

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[redacted] performance for this interim period can be evaluated as a light effort but satisfactory in terms of the nature of the contract. As an interim contract, it provided (Interim) access to the contractor for minimal communication and minor work relating to the project contract "Research on P.I. Performance" (#973) which followed. (The latter project grew out of a pilot study performed under an earlier contract (#XG-2615) completed prior to the interim contract.

In evaluating the financial report care should taken, however, to properly attribute tasks which might be mistaken to (also) fall under the new contract to the interim contract: consequently, payments on the new contract should not begin until the tasks outlined in the interim work schedule are completed. That will be when photography from the overflights, scheduled for the end of August, is in the contractor's hands and the contractor begins to prepare these materials for in-house testing. The contract monitor will file an inspection report at that time.

Delivered under the interim contract was a small report "An Analysis of Response Errors." It was a final, overall analysis of the completed pilot study, which can be considered an "add-on" to the pilot study.

Other work outlined by [redacted] to be performed during March 16-June 30 was:

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1. Design the future experimental studies so that the photography to be used in them can be fully specified in terms of the types of targets required and the conditions under which the photographs are to be taken and processed.

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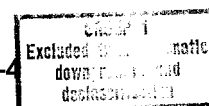
This is being performed under the new contract (#973) for the most part. It is true, though, that [redacted] and three staff members of [redacted] spent four days at Perkin-Elmer facilities in Conn. participating in seminars and discussions relating to the theoretical bases of the research. However, the "future experimental studies to be designed during the interim fall pretty much in line with the pilot study and, to my knowledge, few (if any) modifications of the experimental design were made nor have taken much of [redacted] time to date.

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2. Develop, as soon as the required photography has been obtained, measures of P.I. target identification performance.

This phase should either 1.) be paid for under the present contract (#973), or 2.) be included (as stated above) in the interim contract again, the latter case, payments for the present contract (#973) should not begin until this phase is completed by the contractors and the new work schedule officially begun.

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3. Prepare a work statement and cost estimate for the subsequent phases of work.

To my knowledge it is not usual for us to reimburse for preparation of a work statement and cost estimate for a new contract.

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[REDACTED]

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NOTE: NPIC PAID ONLY for [REDACTED]  
SERVICES -- OSA, DD/S&T FUNDED 25X1A  
INTERIM CONTRACT of P.E. & [REDACTED] PAY  
WAS INCLUDED IN P.E. COSTS.

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INTERIM CONTRACT

Statement of Work and Cost Estimate

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Submitted by:

For the Period:  
March 16 to June 30, 1964

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The ultimate objective of the work, which will be performed jointly by staff members of NPIC, Perkin-Elmer Corporation, and [REDACTED] will be to determine the relation between photo interpreter (P.I.) target identification performance and such factors as ground resolution, image modulation and granularity, atmospheric haze, and receiving conditions. The results of the work should aid NPIC, and other interested parties in making practical decisions regarding which systems to use and which viewing devices and receiving techniques to employ.

It is expected that the work will require approximately 18 months to complete. However, this proposal is only for the first, and perhaps the most critical, phase of the work. In this phase, [REDACTED] will do the following:

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1. Analyze more fully the data obtained in the study recently conducted by NPIC, Perkin-Elmer, and [REDACTED] and prepare a report of that analysis. 25X1A
2. Design the future experimental studies so that the photography to be used in them can be fully specified in terms of the types of targets required and the conditions under which the photographs are to be taken and processed.
3. Develop, as soon as the required photography has been obtained, measures of P.I. target identification performance.
4. Prepare a work statement and cost estimate for the subsequent phases of work.

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In general terms, [REDACTED] will be responsible for preparing the detailed experimental and statistical design of the studies and for the data analysis. [REDACTED] will share with NPIC and Perkin-Elmer the responsibility for the initial planning of each study, the experimental data collection, and the report preparation. The feasibility of such an arrangement was demonstrated during the conduct of the study recently concluded.

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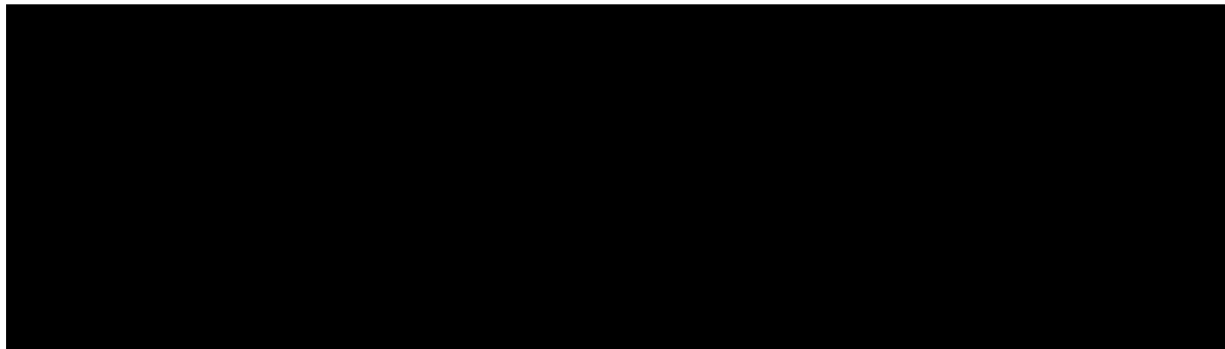


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Estimated Costs March 16 to June 30, 1964

Labor, Overhead, and Fee

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Travel and Per Diem

6 Round Trip<sup>s</sup>, Coast to Coast  
60 days Per Diem at \$16/day  
Local Travel

\$1,950  
960  
450

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Total Costs, Travel & Per Diem

3,360

Total Estimated Costs



Respectfully Submitted

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